

Name of the organization

NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number

62-1570449

U.S. SUPREME COURT

NFIB ASKED THE U.S. SUPREME COURT TO OVERTURN A NINTH CIRCUIT DECISION THAT UPHELD SAN FRANCISCO'S WORKER HEALTHCARE SECURITY ORDINANCE. THIS ORDINANCE, PASSED BY THE CITY COUNCIL IN JULY OF 2006, REQUIRES EMPLOYERS TO PROVIDE HEALTH INSURANCE FOR THEIR EMPLOYEES OR PAY A FINE TO THE CITY.

STATUS: PENDING. AMICUS BRIEF FILED ON 07/08/09 IN SUPPORT OF GGRA'S CHALLENGE.

HESS V. A.I. DUPONT HOSPITAL - MEDICAL MONITORING
U.S. COURT OF APPEALS FOR THE 3RD CIRCUIT VICTORY!

THE COURT WILL DECIDE WHETHER DELAWARE RECOGNIZES A MEDICAL MONITORING CAUSE OF ACTION. THE CASE INVOLVES A PLAINTIFF WHO HAD A STENT IMPLANTED TO TREAT A CONGENITAL HEART DEFECT; THE STENT HAD NOT RECEIVED FDA PREMARKET APPROVAL AT THE TIME IT WAS IMPLANTED BY DOCTORS AT THE DEFENDANT'S HOSPITAL. THE CIRCUIT COURT WILL DECIDE: (1) WHETHER THE DELAWARE SUPREME COURT WOULD RECOGNIZE A MEDICAL MONITORING CAUSE OF ACTION IF PRESENTED WITH THE RECORD IN THE CASE, (2) WHETHER PLAINTIFF WOULD BE ABLE TO STATE A CLAIM FOR MEDICAL MONITORING IN DELAWARE, AND (3) WHETHER PLAINTIFF MET HIS SUMMARY JUDGMENT BURDEN OF ESTABLISHING A GENUINE ISSUE OF MATERIAL FACT FOR TRIAL REGARDING HIS MEDICAL MONITORING CLAIM.

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STATUS: DECIDED. AMICUS BRIEF FILED ON 03/09/10. COURT RULED IN FAVOR THE DEFENDANT AND DISMISSED PLAINTIFF'S CLAIMS. THE COURT REVERSED THE DISTRICT COURT AND HELD THAT THERE WAS NO DUTY TO MEDICALLY MONITOR A MINOR PLAINTIFF AND EVEN IF DELAWARE LAW WOULD ALLOW MEDICAL MONITORING, THE PLAINTIFFS FAILED TO ESTABLISH ELEMENTS NEED FOR MEDICAL MONITORING CLAIM.

SUMMARY OF LEGAL CASES FOR 2010 (CONT.)

INDUSTRIAL COMM'N OF ARIZONA V. MARTIN - WORKERS' COMPENSATION
SUPERIOR COURT OF ARIZONA VICTORY!

NFIB HAS JOINED THE FIGHT AGAINST THE STATE OF ARIZONA'S UNCONSTITUTIONAL TAKING OF FUNDS FROM THE STATE'S WORKERS' COMPENSATION FUND. ON JANUARY 31, 2009 ARIZONA GOVERNOR JAN BREWER SIGNED SB 1001, WHICH SWEEPS OVER \$4 MILLION FROM THE STATE'S SPECIAL FUND OF THE INDUSTRIAL COMMISSION, THE FUND ESTABLISHED BY ARIZONA'S WORKERS' COMPENSATION STATUTE TO ENSURE INJURED WORKERS RECEIVE BENEFITS MAINLY IN CASES WHERE THE EMPLOYER IS UNINSURED OR THE INSURANCE CARRIER IS INSOLVENT. THESE MILLIONS OF DOLLARS WERE USED TO BALANCE THE STATE'S BUDGET IN VIOLATION OF THE STATE'S CONSTITUTION AND WORKERS' COMPENSATION STATUTE THAT CLEARLY STATE THAT MONEY FROM THE SPECIAL FUND MAY ONLY BE USED TO COVER WORKERS.

STATUS: DECIDED. MOTION TO INTERVENE GRANTED 1/5/10. COURT RULED 6/21/10 IN FAVOR OF THE PLAINTIFFS THAT FUNDS WERE HELD IN TRUST.

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JANKEY V. LEE - ATTORNEY FEE AWARDS IN ADA LAWSUITS

CALIFORNIA SUPREME COURT

THE COURT WILL DETERMINE WHETHER CALIFORNIA'S MANDATORY "PREVAILING PARTY" ATTORNEY'S FEE PROVISION REQUIRES A PREVAILING DEFENDANT TO ESTABLISH THAT THE PLAINTIFF'S CLAIM WAS FRIVOLOUS BEFORE AN ATTORNEY'S FEE AWARD CAN BE MADE.

STATUS: PENDING. AMICUS BRIEF IN SUPPORT OF DEFENDANT FILED ON 1/7/11.

KASTEN V. SAINT-GOBAIN PERFORMANCE - RETALIATION CLAIMS UNDER WAGE & HOUR LAW

U.S. SUPREME COURT

THE PLAINTIFF FILED SUIT AGAINST HIS FORMER EMPLOYER UNDER THE FLSA AFTER HE WAS TERMINATED FOR VIOLATING THE EMPLOYER'S TIME-CLOCK-PUNCHING POLICY. THE SUIT ALLEGED THAT HE WAS TERMINATED IN RETALIATION FOR HIS ORAL COMPLAINTS, TO SUPERVISORS AND HUMAN RESOURCES PERSONNEL, THAT THE PLACEMENT OF THE TIME CLOCK WAS ILLEGAL. THE DISTRICT COURT GRANTED SUMMARY JUDGMENT TO THE EMPLOYER, HOLDING THAT, ALTHOUGH INTRA-COMPANY WRITTEN COMPLAINTS COULD FORM THE BASIS FOR A RETALIATION CLAIM, ORAL COMPLAINTS COULD NOT. THE SEVENTH CIRCUIT AFFIRMED (585 F.3D 310). WHILE ACKNOWLEDGING A DIVISION OF AUTHORITY ON THE ISSUE, THE COURT OF APPEALS REASONED THAT THE TERM "FILED" IMPLIES A WRITTEN COMPLAINT AND THAT ORAL COMPLAINTS THEREFORE COULD NOT SUPPORT A CAUSE OF ACTION.

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STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF EMPLOYER ON 08/23/10.

ORAL ARGUMENT SET FOR 10/13/10. COURT FOUND IN FAVOR OF PLAINTIFF ON

3/1/11.

KIVALINA V. EXXONMOBIL -- LEGAL REFORM/CLIMATE CHANGE

U.S. COURT OF APPEALS FOR THE NINTH CIRCUIT

THE SUIT SEEKS MONETARY DAMAGES FROM VARIOUS ENERGY COMPANIES FOR THE ALLEGED DESTRUCTION OF KIVALINA, ALASKA BY CLIMATE CHANGE. THE SPECIFIC ISSUE IN THE CASE IS WHETHER THE PUBLIC NUISANCE CLAIMS SEEKING TO SUBJECT AMERICAN BUSINESS THAT EMIT CO2, METHANE AND OTHER SUCH GASSES TO LIABILITY FOR WEATHER-RELATED EVENTS ALLEGEDLY CAUSED BY GLOBAL WARMING VIOLATE THE POLITICAL QUESTION DOCTRINE UNDER ARTICLE III OF THE CONSTITUTION. THE SUIT WAS DISMISSED BY THE U.S. DISTRICT COURT.

STATUS: PENDING. AMICUS BRIEF FILED 07/07/10.

KLOTZ V. ST. ANTHONY'S MEDICAL CENTER - MALPRACTICE AND LEGAL REFORM

MISSOURI SUPREME COURT

A JURY AWARDED \$2.58 MILLION, INCLUDING \$1 MILLION IN NONECONOMIC DAMAGES, IN A MEDICAL MALPRACTICE ACTION AGAINST A PRESIDING PHYSICIAN AND HOSPITAL FOR PLAINTIFFS CONTRACTION OF A STAPH INFECTION WHICH RESULTED IN MULTIPLE AMPUTATIONS. THE CIRCUIT COURT INITIALLY RULED THAT

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THE 2005 STATUTE, WHICH PLACED A NEW NONECONOMIC DAMAGES CAP AT \$350,000 FOR MEDICAL MALPRACTICE ACTIONS, WAS CONSTITUTIONAL AND APPLIED TO THOSE DEFENDANTS WHO WERE INCLUDED IN THE CAUSE OF ACTION AFTER THE LAW TOOK EFFECT. THE CASE WAS APPEALED TO THE EASTERN DISTRICT COURT OF APPEALS, WHICH TRANSFERRED IT TO THE MISSOURI SUPREME COURT TO DETERMINE THE CONSTITUTIONALITY OF THE CAP.

STATUS: DECIDED. AMICUS BRIEF FILED 11/4/09. COURT RULED DAMAGE CAP DID NOT APPLY IN THIS MATTER.

LAMONS GASKET CO. V. SWIU - NLRB OPENS DOOR TO MORE STEALTH CARD CHECK AGREEMENTS

NATIONAL LABOR RELATIONS BOARD

IN A 3-2 DECISION ON AUGUST 27, THE BOARD VOTED TO REVIEW A LANDMARK 2007 CASE, DANA CORPORATION, IN WHICH IT GRANTED DISSENTING WORKERS THE RIGHT TO UNDO A SUCCESSFUL (I.E., EMPLOYER-RECOGNIZED) UNION CARD CHECK CAMPAIGN AND DEMAND A SECRET BALLOT ELECTION. PRIOR TO THIS DECISION, EMPLOYEES HAD NO WAY TO DEMAND AN ELECTION IF THE EMPLOYER AGREED TO RECOGNIZE A UNION BASED ON AUTHORIZATION CARDS. WORKERS ACROSS THE COUNTRY HAVE ALREADY USED ELECTIONS TO KICK OUT UNWANTED UNIONS, DEMONSTRATING THE UNRELIABILITY OF CARD CHECK INSTANT ORGANIZING CAMPAIGNS. WORKERS FREQUENTLY SIGN UNION AUTHORIZATION CARDS DUE TO UNION ORGANIZERS' INTIMIDATING TACTICS OR EVEN OUTRIGHT LIES ABOUT WHAT SIGNING A CARD MEANS.

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STATUS: PENDING. NFIB FILED TWO AMICUS BRIEFS ON 11/1/10 IN SUPPORT OF
PRESERVING DANA CORPORATION.

LEWIS V. CITY OF CHICAGO - LIMITATIONS FOR TITLE VII DISPARATE IMPACT
CLAIMS
U.S. SUPREME COURT

WHETHER THE STATUTE OF LIMITATIONS ON A DISPARATE IMPACT CLAIM BEGINS
WHEN AN EMPLOYER ANNOUNCES A PRACTICE THAT MAY VIOLATE TITLE VII OR WHEN
IT BEINGS PUTS THE PRACTICE INTO EFFECT. THE SEVENTH CIRCUIT HELD THAT
300 DAY PERIOD FOR FILING A CLAIM WITH THE EEOC BEGINS ON THE DATE THE
PRACTICE IS ANNOUNCED.

STATUS: DECIDED. THE COURT REVERSED AND REMANDED THE CASE. THE COURT
HELD THAT THE GROUP OF AFRICAN-AMERICAN WOULD-BE FIREFIGHTERS HAD FILED A
TIMELY CHARGE OF RACE DISCRIMINATION AGAINST THE CITY OF CHICAGO. AMICUS
BRIEF FILED IN SUPPORT OF CITY ON 1/22/10. ORAL ARGUMENT HELD 2/22/10.

LOAR V. MICHIGAN DEPARTMENT OF HUMAN SERVICES - FORCED UNIONIZATION
MICHIGAN SUPREME COURT

NFIB HAS SUPPORTED HOME-BASED DAY CARE PROVIDERS WHO ARE PROTESTING AN
EFFORT BY THE STATE OF MICHIGAN TO UNILATERALLY UNIONIZE DAY CARE
PROVIDERS WHO PROVIDE CARE TO LOW-INCOME FAMILIES RECEIVING STATE

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SUBSIDIES. AS PART OF THIS UNION, THE PROVIDERS HAD DUES WITHHELD FROM
STATE SUBSIDY PAYMENTS PROVIDED TO LOW-INCOME FAMILIES.

STATUS: DECIDED. AMICUS BRIEF FILED IN APRIL 2010. ON SEPT. 16, 2010,
THE SUPREME COURT ORDERED THE APPELLATE COURT TO EXPLAIN ITS SIX-WORD
ORDER DISMISSING THE CASE. ON SEPT. 23, 2010, COURT OF APPEALS AFFIRMED
DISMISSAL EXPLAINING THAT PROVIDERS ARE PUBLIC EMPLOYEES.

LOCKE V. KARASS - NONMEMBER UNION FEES

U.S. SUPREME COURT

IN LOCKE, THE COURT WILL DECIDE WHETHER A NATIONAL UNION THAT FUNCTIONS
AS THE EXCLUSIVE BARGAINING AGENT FOR CERTAIN STATE EMPLOYEES CAN CHARGE
LOCAL NONMEMBERS FOR LITIGATION EXPENSES, EVEN WHERE THE LITIGATION DOES
NOT AFFECT THE LOCAL UNION. THE COURT HAS PREVIOUSLY HELD THAT UNIONS
CAN CHARGE NONMEMBERS A SERVICE FEE TO COVER EXPENSES RELATED TO
COLLECTIVE BARGAINING AND CONTRACT ADMINISTRATION, BUT CANNOT CHARGE
NONMEMBERS TO SUPPORT POLITICAL OR IDEOLOGICAL EXPRESSION.

STATUS: DECIDED. COURT RULED THAT IN CERTAIN CIRCUMSTANCES A LOCAL
UNION MAY CHARGE A NONMEMBER AN APPROPRIATE SHARE OF ITS CONTRIBUTION TO
A NATIONAL UNION'S LITIGATION EXPENSES.

LOCKE V. SHORE - REGULATORY RESTRICTION ON INTERIOR DESIGNER

U.S. COURT OF APPEALS FOR THE ELEVENTH CIRCUIT

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NFIB JOINED A LAWSUIT THAT CHALLENGED A FLORIDA LAW THAT PROHIBITS PEOPLE FROM PRACTICING INTERIOR DESIGN UNLESS THEY FIRST GET THE GOVERNMENT'S PERMISSION. THE LAW REQUIRES THAT THEY SPEND SIX YEARS AND THOUSANDS OF DOLLARS JUMPING THROUGH THE ARBITRARY HOOPS OF FLORIDA'S INTERIOR DESIGN LICENSING LAW. IN MARCH 2011, THE APPELLATE COURT UPHELD A DISTRICT COURT RULING THAT FOUND THE REGULATION CONSTITUTIONAL. THE RULING COMES DESPITE ADMISSIONS BY THE STATE THAT THERE IS NO EVIDENCE THAT THE UNLICENSED PRACTICE OF INTERIOR DESIGN POSES ANY THREAT TO THE PUBLIC.

STATUS: DECIDED. COURT UPHELD THE REGULATION ON 3/2/11. AN APPEAL TO THE U.S. SUPREME COURT IS PLANNED.

SUMMARY OF LEGAL CASES FOR 2010 (CONT.)

LOCKSHIN V. SEMSKER - UPHOLDING MARYLAND'S DAMAGES CAP

COURT OF APPEALS

THIS CASE CONCERNS THE DEATH OF 47-YEAR-OLD ATTORNEY RICHARD SEMSKER WHO DIED FROM MALIGNANT MELANOMA. THE FAMILY OF SEMSKER FILED A MALPRACTICE CLAIM AGAINST SEMSKER'S DERMATOLOGIST FOR FAILURE TO DIAGNOSE CANCER, AND A JURY AWARDED \$3 MILLION IN NON-ECONOMIC DAMAGES. FOLLOWING TRIAL, THE TRIAL JUDGE FOUND THAT THE NON-ECONOMIC DAMAGES CAP DID NOT APPLY TO THIS CASE BECAUSE THE PARTIES HAD NOT GONE THROUGH PRE-SUIT ARBITRATION.

STATUS: PENDING. AMICUS BRIEF FILED 8/26/09.

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LUNSFORD V. SABERHAGEN HOLDINGS, INC. - STRICT LIABILITY OF SUCCESSIVE
ASBESTOS MANUFACTURERS
WASHINGTON SUPREME COURT (PETITION FOR REVIEW)

THIS CASE CONCERNS WHETHER WASHINGTON STATE CASES ADOPTING STRICT
LIABILITY CAN BE APPLIED RETROACTIVELY. THE WASHINGTON COURT OF APPEALS
IN LUNSFORD HELD THAT STRICT LIABILITY APPLIED RETROACTIVELY TO
PLAINTIFF'S CLAIM OF ASBESTOS-RELATED MESOTHELIOMA FROM HOUSEHOLD
EXPOSURE TO ASBESTOS MANY YEARS BEFORE STRICT LIABILITY WAS RECOGNIZED IN
WASHINGTON. IN REACHING ITS DECISION, THE APPELLATE COURT REFUSED TO
APPLY THE THREE-PART TEST SET FORTH BY THE UNITED STATES SUPREME COURT IN
CHEVRON OIL FOR DETERMINING WHETHER A NEW RULE, SUCH AS THE ADOPTION OF
STRICT LIABILITY, SHOULD APPLY RETROACTIVELY. INSTEAD, THE APPELLATE
COURT SAID THAT PROSPECTIVE APPLICATION OF STRICT LIABILITY WAS NOT
AVAILABLE TO SABERHAGEN. THE COURT BOLDLY CONCLUDED THAT CHEVRON OIL AND
RECENT WASHINGTON STATE SUPREME COURT CASES APPLYING THE CHEVRON OIL TEST
WERE ERRONEOUS.

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF CERT PETITION ON
11/20/07. COURT GRANTED REVIEW AND AMICUS BRIEF FILED ON MERITS ON
06/06/08.

MCDONALD V. CITY HOSPITAL - CHALLENGE TO WEST VIRGINIA'S PUNITIVE DAMAGES
CAP
WEST VIRGINIA SUPREME COURT OF APPEALS

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NFIB JOINED A COALITION AMICUS BRIEF IN A CHALLENGE TO THE STATE'S CAP ON
NONECONOMIC DAMAGES FOR MEDICAL LIABILITY ACTIONS.

STATUS: PENDING.

MERRILL V. OHIO - PROPERTY RIGHTS

OHIO SUPREME COURT

THE CASE INVOLVES A CHALLENGE TO SHORELINE PROPERTY OWNERS' RIGHT TO
EXCLUDE TRESPASSERS ON DRY BEACHES ABOVE THE WATER'S EDGE. THIS IS AN
IMPORTANT ISSUE NOT ONLY FOR RESIDENTIAL PROPERTY OWNERS, BUT FOR
BUSINESSES ALONG LAKE ERIK WHO WANT TO BE ABLE TO EXCLUDE TRESPASSERS.
THE TRIAL AND APPELLATE COURTS FOUND LARGELY IN FAVOR OF THE LANDOWNERS.
THE OHIO DEPT. OF NATURAL RESOURCES HAS NOW APPEALED TO THE STATE SUPREME
COURT.

STATUS: PENDING. AMICUS BRIEF FILED ON 9/20/10. ORAL ARGUMENT HELD
2/1/11.

METROPOLITAN MILWAUKEE ASSOCIATION OF COMMERCE V. CITY OF MILWAUKEE -
MANDATED SICK LEAVE
CIRCUIT COURT FOR MILWAUKEE COUNTY

ON NOVEMBER 4, 2008, MILWAUKEE BECAME THE THIRD CITY IN THE UNITED

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STATES, AFTER SAN FRANCISCO AND THE DISTRICT OF COLUMBIA, TO REQUIRE THAT ALL CITY BUSINESSES PROVIDE THEIR EMPLOYEES WITH PAID SICK LEAVE THROUGH THE PASSAGE OF A BINDING REFERENDUM.

THE BINDING REFERENDUM PROVIDES THAT ALL PRIVATE SECTOR EMPLOYEES EMPLOYED WITHIN THE CITY WILL ACCRUE NINE PAID SICK DAYS PER YEAR. NFIB ARGUED THAT THE MEASURE INTERFERES WITH EMPLOYERS' RIGHTS TO NEGOTIATE MUTUALLY BENEFICIAL LABOR AGREEMENTS WITH THEIR EMPLOYEES AND IS AN ILLEGAL EXTENSION OF THE MILWAUKEE'S AUTHORITY INTO AREAS OF LAW RESERVED TO THE STATE.

STATUS: PENDING. AMICUS BRIEF FILED 01/28/09.

MUNSON V. DEL TACO - PROTECTING SMALL BIZ FROM UNSCRUPULOUS ADA LAWSUITS
CALIFORNIA SUPREME COURT

NFIB IS URGING THE 9TH CIRCUIT COURT OF APPEALS TO FIND THAT DISCRIMINATORY INTENT IS REQUIRED IN ORDER FOR DEFENDANTS TO BE LIABLE FOR MONETARY DAMAGES FOR VIOLATIONS UNDER CALIFORNIA'S UNRUH CIVIL RIGHTS ACT, WHICH INCORPORATES INTO THE STATE LAW THE AMERICANS WITH DISABILITY ACT (ADA).

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF DEL TACO ON 12/11/08.

ORAL ARGUMENT SET FOR MAY 6, 2009. ON JUNE 11, 2009, THE CALIFORNIA SUPREME COURT ANSWERED A CERTIFIED QUESTION FROM THE 9TH CIRCUIT: UNDER THE UNRUH CIVIL RIGHTS ACT, DEFENDANTS CAN BE LIABLE FOR MONETARY DAMAGES

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FOR UNINTENTIONAL DISCRIMINATION THROUGH ADA VIOLATIONS.

NURSING CARE MANAGEMENT OF AMERICA, INC. V. OHIO CIVIL RIGHTS COMM'N -
PREGNANCY LEAVE

OHIO SUPREME COURT VICTORY!

TIFFANY MCFEE'S EMPLOYMENT WAS TERMINATED BY NURSING CARE MANAGEMENT OF AMERICA, D/B/A PATASKALA OAKS, WHEN SHE PRESENTED HER EMPLOYER A PHYSICIAN'S NOTE STATING THAT SHE WAS UNABLE TO WORK DUE TO A PREGNANCY-RELATED MEDICAL CONDITION. BECAUSE SHE HAD BEEN EMPLOYED BY THE COMPANY FOR LESS THAN ONE YEAR, MCFEE DID NOT QUALIFY FOR LEAVE UNDER THE COMPANY'S LEAVE POLICY. THE OCRC FOUND PATASKALA OAKS VIOLATED OHIO'S ANTI-DISCRIMINATION LAW. THE ALJ WHO HEARD THE COMPLAINT RECOMMENDED THAT IT BE DISMISSED. HOWEVER, THE OCRC REJECTED THE ALJ'S POSITION AND HELD THAT THE TERMINATION OF MCFEE'S EMPLOYMENT DUE TO HER NEED FOR MATERNITY LEAVE VIOLATED OHIO'S LAWS AGAINST PREGNANCY DISCRIMINATION. THE COUNTY COMMON PLEAS COURT REVERSED THE COMMISSION. THE CASE WAS THEN APPEALED TO THE FIFTH APPELLATE DISTRICT, WHICH FOUND THAT MCFEE HAD PRESENTED DIRECT EVIDENCE OF PREGNANCY DISCRIMINATION AND UPHELD THE COMMISSION'S DECISION.

STATUS: DECIDED. AMICUS BRIEF FILED ON 9/28/09 AND REPLY AMICUS BRIEF FILED ON 12/22/09. ARGUMENT SET FOR 1/13/10. COURT RULED IN FAVOR OF THE EMPLOYER ON 6/22/10.

OHIO CIVIL RIGHTS COMM'N V. NURSING CARE MANAGEMENT - MATERNITY LEAVE

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OHIO SUPREME COURT

TIFFANY MCFEE'S EMPLOYMENT WAS TERMINATED BY NURSING CARE MANAGEMENT OF AMERICA, D/B/A PATASKALA OAKS, WHEN SHE PRESENTED HER EMPLOYER A PHYSICIAN'S NOTE STATING THAT SHE WAS UNABLE TO WORK DUE TO A PREGNANCY-RELATED MEDICAL CONDITION. BECAUSE SHE HAD BEEN EMPLOYED BY THE COMPANY FOR LESS THAN ONE YEAR (EIGHT MONTHS), MCFEE DID NOT QUALIFY FOR LEAVE UNDER THE COMPANY'S LEAVE POLICY. THE FIFTH APPELLATE DISTRICT FOUND THAT MCFEE HAD PRESENTED DIRECT EVIDENCE OF PREGNANCY DISCRIMINATION AND UPHELD THE COMMISSION'S DECISION.

STATUS: PENDING. AMICUS BRIEF FILED 09/25/09.

O'NEIL V. CRANE - ASBESTOS REFORM

CALIFORNIA SUPREME COURT

THE ISSUE OF WHETHER A DEFENDANT SUCH AS A PUMP AND VALVE MAKER CAN BE HELD LIABLE FOR ASBESTOS PRODUCTS MADE BY ANOTHER COMPANY AND AFFIXED POST-SALE SUCH AS BY THE NAVY IS FREQUENTLY LITIGATED. THE FIRST DISTRICT APPELLATE COURT CHOSE TO FOLLOW WASHINGTON STATE, HOLDING THAT MANUFACTURERS ARE RESPONSIBLE ONLY FOR THEIR OWN PRODUCTS. THE PLAINTIFFS HAVE APPEALED.

STATUS: PENDING. AMICUS LETTER BRIEF FILED 11/12/09. COURT GRANTED CERT PETITION 12/24/09. AMICUS BRIEF FILED 2/22/10.

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PANAG V. CREDIT CONTROL SERVICES, INC. - EXPANSION OF CONSUMER PROTECTION
ACT

WASHINGTON SUPREME COURT

THIS CASE CONCERNS WHETHER THE WASHINGTON CONSUMER PROTECTION ACT (CPA)
APPLIES TO A COLLECTION AGENCY'S ATTEMPTS TO COLLECT ON AN INSURANCE
COMPANY'S SUBROGATION CLAIM AGAINST UNINSURED MOTORISTS. THE SUPREME
COURT OF WASHINGTON REJECTED CCS'S ARGUMENT THAT THE CPA APPLIES ONLY TO
CONSUMER-ORIENTED RELATIONSHIPS. AS A RESULT OF THIS DECISION, NEARLY
ANY BUSINESS MAY BE SUBJECT TO THE CPA FOR ANY DISPUTE IT MAY ENTER INTO,
REGARDLESS OF WHETHER THAT DISPUTE INVOLVES A CUSTOMER, A CONTRACT, OR
ANY OTHER BUSINESS-LIKE RELATIONSHIP. NFIB FILED AN AMICUS BRIEF IN
SUPPORT OF A MOTION FOR RECONSIDERATION.

STATUS: PENDING. AMICUS BRIEF FILED 04/29/09.

PLENCO V. LIBERTY MUTUAL INSURANCE CO. - CHALLENGING INSURER'S LIMITS ON
ASBESTOS COVERAGE

WISCONSIN SUPREME COURT

THE WISCONSIN SUPREME COURT WILL DECIDE WHAT TYPES OF RESTRICTIONS AN
INSURANCE COMPANY CAN PLACE ON ITS DUTY TO DEFEND AND INDEMNIFY AN
INSURED IN ASBESTOS LITIGATION. PLENCO, A FAMILY-OWNED PLASTICS COMPANY
LOCATED IN SHEBOYGAN, WI, HAS BEEN NAMED AS A DEFENDANT IN HUNDREDS OF

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ASBESTOS LAWSUITS OVER THE LAST 20 YEARS FOR ALLEGED EXPOSURE TO PLENCO PRODUCTS THAT OCCURRED BETWEEN 1950 AND 1983. FROM 1968 THROUGH 1989, PLENCO WAS INSURED (GENERAL LIABILITY AND UMBRELLA) WITH LIBERTY MUTUAL. UNTIL 2004, LIBERTY MUTUAL DUTIFULLY RESPONDED TO ALL LAWSUITS FILED AGAINST PLENCO. IN 2004, LIBERTY MUTUAL INSTITUTED A NEW COVERAGE POLICY THAT DRASTICALLY REDUCED PLENCO'S COVERAGE FROM OVER \$70 MILLION (THE ENTIRE INSURED PERIOD) TO ABOUT \$10 MILLION. PLENCO CHALLENGED LIBERTY MUTUAL'S NEW POLICY IN FEDERAL COURT.

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF PLENCO ON 06/24/08. ON JANUARY 29, 2009, THE WISCONSIN SUPREME COURT DECIDED A CERTIFIED QUESTION FROM THE U.S. COURT OF APPEALS FOR THE SEVENTH CIRCUIT. THE WISCONSIN SUPREME COURT HELD THAT EACH CLAIMANT'S EXPOSURE WAS ONE OCCURRENCE, WISC. STAT. § 631.43(1) DOES NOT APPLY TO SUCCESSIVE INSURANCE POLICIES, AND LIBERTY MUTUAL MUST DEFEND AND PAY UP TO THE POLICY LIMITS.

SUMMARY OF LEGAL CASES FOR 2010 (CONT.)

PRICELINE V. CITY OF ANAHEIM - PRIVATE ATTORNEY GENERAL REFORM
CALIFORNIA SUPREME COURT

MANY ONLINE TRAVEL SERVICES FORM PARTNERSHIPS WITH HOTELS SO THAT CONSUMERS CAN BUY BOTH DISCOUNTED PLANE TICKETS AND MAKE HOTEL RESERVATIONS IN A SINGLE TRANSACTION. BECAUSE THE ONLINE TRAVEL SERVICES BRING IN CUSTOMERS THAT THE HOTEL CHAINS MIGHT NOT ATTRACT, THE ONLINE TRAVEL SERVICES COMMONLY CHARGE THE HOTEL A SERVICE FEE.

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SOME PLAINTIFFS' ATTORNEYS APPROACHED THE CALIFORNIA STATE GOVERNMENTS AND NOTED THAT CALIFORNIA COULD TRY TO COLLECT HOTEL AND OCCUPANCY TAXES ON THE SERVICE FEES. THE PLAINTIFFS' ATTORNEYS VOLUNTEERED TO SUE THE ONLINE COMPANIES IN EXCHANGE FOR A PERCENTAGE OF THE RECOVERED TAX.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF PRICELINE ON JUNE 24, 2009. COURT UPHELD COUNSEL RETENTION AGREEMENT JAN.5, 2010.

RITE AID - NLRB OPENS DOOR TO MORE STEALTH CARD CHECK AGREEMENTS

THE OBAMA NLRB HAS COMMENCED THE PROCESS THAT WILL LIKELY LEAD TO THE REVERSAL OF A NUMBER OF IMPORTANT PRECEDENTS FOR WORKERS. IN A 3-2 DECISION ON AUGUST 27, THE BOARD VOTED TO REVIEW A LANDMARK 2007 CASE, DANA CORPORATION, IN WHICH IT GRANTED DISSENTING WORKERS THE RIGHT TO UNDO A SUCCESSFUL (I.E., EMPLOYER-RECOGNIZED) UNION CARD CHECK CAMPAIGN AND DEMAND A SECRET BALLOT ELECTION. PRIOR TO THIS DECISION, EMPLOYEES HAD NO WAY TO DEMAND AN ELECTION IF THE EMPLOYER AGREED TO RECOGNIZE A UNION BASED ON AUTHORIZATION CARDS. WORKERS ACROSS THE COUNTRY HAVE ALREADY USED ELECTIONS TO KICK OUT UNWANTED UNIONS, DEMONSTRATING THE UNRELIABILITY OF CARD CHECK INSTANT ORGANIZING CAMPAIGNS. WORKERS FREQUENTLY SIGN UNION AUTHORIZATION CARDS DUE TO UNION ORGANIZERS' INTIMIDATING TACTICS OR EVEN OUTRIGHT LIES ABOUT WHAT SIGNING A CARD MEANS. IN VOTING TO REVISIT THE DANA CASE, THE OBAMA NLRB HAS SIGNALLED ITS INTENT TO DENY WORKERS THE ABILITY TO VOTE ACCORDING TO THEIR CONSCIENCE AND REMOVE AN UNWANTED UNION FROM THEIR WORKPLACE. NFIB HAS

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FILED AN AMICUS BRIEF WITH THE BOARD, URGING IT NOT TO REVOKE THE NEW PROTECTIONS ACCORDED TO WORKERS SWEEPED INTO UNION RANKS THROUGH CARD CHECK FORCED UNIONISM. THE BOARD MUST RETURN TO ITS ORIGINAL INTENT OF PROTECTING WORKERS' BASIC FREEDOMS RATHER THAN INFRINGING UPON THEM.

ROBINSON V. CROWN CORK & SEAL CO. - LIMITING ASBESTOS LITIGATION
TEXAS SUPREME COURT

THIS APPEAL INVOLVES A CHALLENGE TO THE RETROACTIVE APPLICATION OF A TEXAS LAW LIMITING SUCCESSOR ASBESTOS-RELATED LIABILITIES FOR INNOCENT DEFENDANTS, SUCH AS CROWN CORK & SEAL (THE RESPONDENT IN THE CASE). THE DECISION IS ALSO LIKELY TO HAVE AN IMPACT ON THE RETROACTIVE ASBESTOS AND SILICA MEDICAL CRITERIA LAW ENACTED IN 2005. A DECISION OVERTURNING THAT LAW COULD SEND POTENTIALLY TENS OF THOUSANDS OF CLAIMS BACK INTO THE TEXAS COURTS.

STATUS: DECIDED. NFIB AMICUS BRIEF FILED 08/02/07. ORAL ARGUMENTS HEARD 02/07/08. COURT RULED IN OCTOBER 2010 THAT THE TEXAS CONSTITUTION PROHIBITS A LAW SHIELDING CROWN CORK FROM SUCCESSOR LIABILITY IN PENDING CASES.

ROUNDY'S - MEANING OF "DISCRIMINATION" IN NONEMPLOYEE ACCESS CASES
NATIONAL LABOR RELATIONS BOARD

THE NLRB SOLICITED AMICUS BRIEFS TO RESOLVE THE ISSUE OF THE PROPER

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DEFINITION OF "DISCRIMINATION" IN CASES WHERE EMPLOYERS DENY NONEMPLOYEE UNION ORGANIZERS ACCESS TO THE EMPLOYER'S PROPERTY. THE NLRB'S INTERPRETATION OF THE CURRENT RULE FORCES BUSINESS OWNERS TO PERMIT UNION ORGANIZERS TO CONDUCT A BOYCOTT ON THE BUSINESS' PRIVATE PROPERTY.

NFIB ARGUED THAT IT IS WRONG TO REQUIRE A BUSINESS OWNER TO ALLOW UNION ORGANIZERS ONTO THEIR PRIVATE PROPERTY FOR THE PURPOSE OF HARMING THE BUSINESS. SINCE BOYCOTTS ARE ESPECIALLY DEVASTATING TO SMALL BUSINESSES, THE BOARD'S CURRENT INTERPRETATION IMPERMISSIBLY INTRUDES ON BUSINESS OWNERS PRIVATE PROPERTY RIGHTS. INSTEAD, NFIB ARGUED THAT THE BOARD SHOULD ADOPT A RULE THAT ONLY FINDS IT UNLAWFUL TO EXCLUDE UNIONS FROM THEIR PROPERTY IF THE BUSINESS ALLOWS OTHER GROUPS TO DO THE SAME ACTIVITY AS THE UNION. UNDER THIS MORE COMMONSENSE DEFINITION, A BUSINESS COULD RIGHTFULLY ALLOW CHARITABLE SOLICITATIONS LIKE THOSE MADE BY THE RED CROSS, BUT PROHIBIT NON-CHARITABLE SOLICITATIONS LIKE THOSE OF AVON OR UNION ORGANIZATION.

STATUS: FILED AMICUS BRIEF ON 1/7/11.

SACKETT V. EPA - REGULATORY TAKING

U.S. SUPREME COURT - CERT PETITION

THE CASE CONCERNS A CLEAN WATER ACT VIOLATION THAT THE ENVIRONMENTAL PROTECTION AGENCY ISSUED TO THE SACKETTS, LANDOWNERS IN IDAHO. EPA CLAIMS THE LAND IS SUBJECT TO THE CWA, AND WHEN THE SACKETTS PLACED FILL

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MATERIAL ON THE LOT FOR THE CONSTRUCTION OF A HOME, EPA ISSUED AN ADMINISTRATIVE COMPLIANCE ORDER DIRECTING THE SACKETTS TO REMOVE THE FILL AND RESTORE THE LOT TO ITS ORIGINAL CONDITION. THE SACKETTS CONTEST EPA'S FINDINGS BUT BOTH THE AGENCY AND THE LOWER COURTS HAVE REFUSED TO GIVE THE SACKETTS A HEARING TO DETERMINE IF THE CWA APPLIES. A THREE-JUDGE PANEL OF THE NINTH CIRCUIT RULED THEY CAN NOT GET JUDICIAL REVIEW UNLESS THEY FIRST GO THROUGH THE LIKELY FUTILE PROCESS OF APPLYING FOR A FEDERAL WETLANDS PERMIT - A PROCESS THAT COULD TAKE YEARS AND COST TENS OF THOUSANDS OF DOLLARS.

STATUS: PENIDNG. NFIB AMICUS BRIEF FILED ON 3/25/11.

SANTA CLARA LEAD PAINT LITIGATION - PUBLIC NUISANCE LEGAL REFORM
CALIFORNIA SUPREME COURT

IN COUNTY OF SANTA CLARA V. ARCO, THE CALIFORNIA COURT OF APPEAL HELD THAT GOVERNMENT PLAINTIFFS MAY RETAIN PRIVATE OUTSIDE COUNSEL ON A CONTINGENT FEE BASIS TO PURSUE PUBLIC NUISANCE CLAIMS AGAINST PRODUCT MANUFACTURERS. THIS DECISION WILL ENABLE PRIVATE ATTORNEYS WITH A PROFIT MOTIVE TO PROSECUTE PURELY PUBLIC CLAIMS UNDER THE POLICE POWER OF THE STATE, AND MAKE IT EASIER FOR LOCAL GOVERNMENT IN CALIFORNIA TO ASSERT THE PUBLIC NUISANCE THEORY AS A MEANS OF TRANSFERRING THE COST OF ENVIRONMENTAL CLEAN UP AND REMEDIAL HEALTH CARE PROGRAMS TO THE PRIVATE SECTOR. NFIB SUBMITTED A LETTER BRIEF TO THE STATE SUPREME COURT REQUESTING THAT THE COURT REVIEW AND OVERTURN THE COURT OF APPEAL

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DECISION.

STATUS: PENDING. NFIB AMICUS BRIEF FILED IN SUPPORT OF PETITION FOR
REVIEW ON 06/06/08. AMICUS BRIEF ON THE MERITS FILED 04/23/09.

SAVAGLIO V. WAL-MART - FIGHTING PUNITIVE DAMAGES REMEDY FOR OVERTIME
VIOLATION
CALIFORNIA COURT OF APPEAL

THE CASE, ON APPEAL FROM A \$200 MILLION VERDICT (THAT INCLUDES A \$115
MILLION PUNITIVE DAMAGE AWARD), CONCERNS THE CALIFORNIA STATUTE THAT
MANDATES THAT AN EMPLOYER SHALL COMPENSATE AN EMPLOYEE FOR AN ADDITIONAL
HOUR'S WORTH OF PAY IF THE EMPLOYEE FAILS TO TAKE A HALF-HOUR BREAK FOR
EVERY FIVE HOURS OF LABOR. IN DISPUTE IS WHETHER THE STATUTE PROVIDES A
PUNITIVE DAMAGES REMEDY AND WHETHER EMPLOYERS MUST ENSURE THAT BREAKS ARE
ACTUALLY TAKEN.

STATUS: PENDING. NFIB AMICUS BRIEF FILED 7/17/08.

SCHLAUD V. SNYDER- FIGHTING THE FORCED UNIONIZATION OF HOME DAY-CARE
WORKERS
UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MICHIGAN

THIS CASE CONCERNS THE COMPULSORY UNIONIZATION OF HOME DAY CARE PROVIDERS
WHERE INDEPENDENT BUSINESSES WILL BE FORCED TO PAY UNION DUES AND SERVICE

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FEES TO NATIONAL UNIONS, BUT THEIR EMPLOYEES WILL NOT HAVE ACCESS TO ANY
OF THE BENEFITS TRADITIONALLY SOUGHT BY EMPLOYEES WHO UNIONIZE.

STATUS: PENDING. NFIB AMICUS BRIEF FILED 3/17/11.

SECRETARY OF LABOR V. AVCON, INC. - FIGHTING OSHA AGAINST INCREASED
LIABILITY
U.S. OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

THE NFIB SMALL BUSINESS LEGAL CENTER, ALONG WITH A COALITION OF
LIKE-MINDED INDUSTRY GROUPS, FILED A BRIEF WITH THE OCCUPATIONAL SAFETY
AND HEALTH REVIEW COMMISSION (OSHR) URGING OSHRC NOT TO PILE ADDITIONAL
LIABILITY ON THE BACKS OF SMALL-BUSINESS OWNERS.

IN RESPONSE TO ISSUES PENDING IN FOUR CASES BEFORE THE COMMISSION, OSHRC
INVITED FRIEND-OF-THE COURT BRIEFS ON TWO IMPORTANT ISSUES RAISED BY
THOSE CASES, WHETHER, CONTRARY TO CURRENT LAW: (1) INDIVIDUALS CAN BE
HELD PERSONALLY LIABLE FOR VIOLATIONS OF THE OCCUPATIONAL SAFETY AND
HEALTH (OSH) ACT AND (2) OSHRC CAN AUTHORIZE SUCCESSOR LIABILITY FOR A
REPEAT VIOLATION OF THE OSH ACT. FOR DECADES, A CORPORATION HAS BEEN
CONSIDERED SEPARATE AND DISTINCT FROM ITS OWNERS OR SHAREHOLDERS.
LEGITIMATE CORPORATIONS PROVIDE SMALL-BUSINESS OWNERS WITH PERSONAL
LIABILITY PROTECTIONS THAT ARE VITAL TO ENCOURAGING ENTREPRENEURSHIP.

IN ITS BRIEF, THE NFIB SMALL BUSINESS LEGAL CENTER ARGUED THAT: (1) OSHRC

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SHOULD NOT CHANGE EXISTING LAW AND CREATE PERSONAL LIABILITY FOR SMALL-BUSINESS OWNERS; (2) SMALL-BUSINESS OWNERS ONLY SHOULD BE HELD PERSONALLY LIABLE IN VERY LIMITED CIRCUMSTANCES, SUCH AS FRAUD; AND (3) SUCCESSOR LIABILITY SHOULD ONLY BE IMPOSED WHEN THERE IS A FINAL ORDER AGAINST THE SAME EMPLOYER OR ITS ALTER EGO FOR A SUBSTANTIALLY SIMILAR VIOLATION.

STATUS: PENDING. NFIB AMICUS BRIEF FILED 03/24/04.

SUMMARY OF LEGAL CASES FOR 2010 (CONT.)

SECRETARY OF LABOR V. VOLKS CONSTRUCTORS - FIGHTING TO UPHOLD OSHA'S STATUTE OF LIMITATIONS

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

THE NFIB SMALL BUSINESS LEGAL CENTER FILED A BRIEF ASKING OSHA'S REVIEW COMMISSION TO UPHOLD THE SIX-MONTH TIME LIMIT FOR OSHA TO ISSUE A CITATION FOR A RECORD-KEEPING VIOLATION. IN THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970, CONGRESS PASSED LANGUAGE THAT "[N]O CITATION MAY BE ISSUED AFTER THE EXPIRATION OF SIX MONTHS FOLLOWING THE OCCURRENCE OF ANY VIOLATION."

DESPITE THIS LAW, OSHA CONTINUES TO ISSUE CITATIONS FOR FAILING TO PROPERLY RECORD INJURIES IN ITS FORM 300 LOG FOR VIOLATIONS THAT HAVE OCCURRED UP TO FIVE YEARS AGO. THE NFIB SMALL BUSINESS LEGAL CENTER BELIEVES THAT MAKING SMALL BUSINESSES SPEND TIME AND MONEY TRYING TO RECALL THE FACTS AND FIND FORMER EMPLOYEES IN AN ATTEMPT TO DEFEND

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AGAINST STALE CLAIMS IS UNFAIR.

STATUS: PENDING. NFIB AMICUS BRIEF FILED ON 11/27/07. ORAL ARGUMENT SET FOR 11/2/10.

SIMPKINS V. CSX TRANSPORTATION - WORKPLACE ASBESTOS EXPOSURE (PREMISES LIABILITY)
SUPREME COURT OF ILLINOIS

THE BRIEF ARGUES THAT PREMISES OWNERS, SUCH AS THE DEFENDANT RAILROAD, OWE NO LEGAL DUTY OF CARE TO REMOTE PLAINTIFFS ALLEGEDLY INJURED AS A RESULT OF SECONDHAND EXPOSURE TO ASBESTOS OR OTHER SUBSTANCES EMITTED IN THE WORKPLACE. THE SUBJECT ACTION INVOLVES THE ESTATE OF A WOMAN WHO WAS ALLEGEDLY EXPOSED TO ASBESTOS CARRIED HOME ON THE PERSON AND CLOTHING OF HER FORMER HUSBAND, WHO WORKED FOR THE DEFENDANT'S PREDECESSOR RAILROAD FROM 1958 TO 1964.

SPECIALTY HEALTHCARE - NLRB DECIDES WHETHER "MICRO UNIONS" PERMITTED
NATIONAL LABOR RELATIONS BOARD

THE NLRB WILL SOON DECIDE WHETHER OR NOT LABOR UNIONS WILL BE ALLOWED TO BREAK OFF DIFFERENT SECTIONS OF WORKFORCES INTO SMALL GROUPS TO ORGANIZE FIVE OR 10 WORKERS AT A TIME INSTEAD OF THE WHOLE WORKPLACE AT ONCE - OR ORGANIZE USING "MICRO UNIONS."

THE "MICRO UNIONS" WOULD ESSENTIALLY ALLOW LABOR ORGANIZERS TO SECTION

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OFF COMPANY EMPLOYEES BY SPECIFIC JOB DESCRIPTIONS. FOR EXAMPLE, IF A UNION WERE TRYING TO ORGANIZE A RESTAURANT STAFF, LEADERS WOULD TARGET SERVERS, BUSBOYS, DISHWASHERS, COOKS AND HOSTESSES SEPARATELY.

STATUS: PENDING. AMICUS BRIEF FILED 3/7/11.

STAPLETON V. CITIZENS NATIONAL - LEGAL REFORM
KENTUCKY SUPREME COURT

THE COURT IS REVIEWING WHETHER BUSINESS OWNERS OWE A DUTY TO CUSTOMERS TO WARN OR REMOVE NATURAL CONDITIONS SUCH AS SNOW AND ICE. THE CURRENT STANDARD, WHICH HAS BEEN IN PLACE FOR DECADES, IMPOSES NO SUCH DUTY UNLESS ACTIONS BY THE BUSINESS OWNER HEIGHTEN OR CONCEAL THE HAZARD OF THE NATURAL CONDITION. OVERTURNING LONGTIME PRECEDENT ON THIS ISSUE WOULD BE AN UNREASONABLE BURDEN UPON BUSINESSES. ADDITIONALLY, THE "NO DUTY" RULE CURRENTLY DOES NOT ACT TO DISCOURAGE KENTUCKY BUSINESSES FROM REMOVING SNOW AND ICE, AS THEIR MAIN GOAL IS NOT TO AVOID LIABILITY BUT INSTEAD TO ATTRACT CUSTOMERS THROUGH COMPETITION, QUALITY, AND SERVICE.

STATUS: PENDING. AMICUS BRIEF FILED JANUARY 2011.

STATE OF FLORIDA V. HHS - NFIB SUES TO STOP HEALTH CARE LAW
U.S. DISTRICT COURT FOR THE NORTHERN DISTRICT OF FLORIDA
U.S. COURT OF APPEALS FOR THE ELEVENTH CIRCUIT

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ON MAY 14, 2010, NFIB JOINED THE MULTI-STATE LAWSUIT CHALLENGING THE CONSTITUTIONALITY OF THE PATIENT PROTECTION AND AFFORDABLE CARE ACT. THE SUIT WAS FILED ON BEHALF OF NFIB BY THE NFIB SMALL BUSINESS LEGAL CENTER IN U.S. DISTRICT COURT FOR THE NORTHERN DISTRICT OF FLORIDA. THERE ARE A NUMBER OF LEGAL CLAIMS IN THE LAWSUIT, HOWEVER, NFIB IS PRIMARILY CONCERNED ABOUT THE UNCONSTITUTIONALITY OF THE INDIVIDUAL MANDATE. NFIB STRONGLY BELIEVES THAT CONGRESS LACKS THE AUTHORITY TO FORCE AMERICANS TO PURCHASE A PRIVATE PRODUCT, SUCH AS HEALTH INSURANCE, OR FACE PAYING A PENALTY.

ON JANUARY 31, 2011, FEDERAL DISTRICT JUDGE ROGER VINSON RULED THAT THE INDIVIDUAL MANDATE IN THE HEALTHCARE LAW IS UNCONSTITUTIONAL. JUDGE VINSON ALSO FOUND THAT THE MANDATE CAN NOT BE SEVERED FROM THE REST OF THE HEALTHCARE LAW, THE ENTIRE ACT MUST BE DECLARED VOID."

THE GOVERNMENT HAS APPEALED JUDGE VINSON'S RULING TO THE ELEVENTH CIRCUIT WHERE BRIEFING IS SCHEDULED TO CONCLUDE IN MAY 2011.

STATUS: PENDING.

STAUB V. PROCTOR HOSPITAL - EMPLOYER LIABILITY FOR SUBORDINATE'S
DISCRIMINATION
U.S. SUPREME COURT

THE ISSUE IS WHETHER AN EMPLOYER CAN BE HELD LIABLE BASED ON POTENTIALLY

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UNLAWFUL INTENT OF OFFICIALS WHO CAUSED OR INFLUENCED BUT DID NOT MAKE THE ULTIMATE EMPLOYMENT DECISION. THE EMPLOYEE ASSERTED THAT HE WAS FIRED BASED ON HIS ASSOCIATION WITH THE MILITARY. THE SEVENTH CIRCUIT HELD THAT NO REASONABLE JURY COULD HAVE CONCLUDED THAT THE PLAINTIFF WAS FIRED BECAUSE HE WAS A MEMBER OF THE MILITARY.

THE CONTROVERSY IN THIS CASE IS COMMONLY REFERRED TO AS THE "CAT'S PAW" DOCTRINE. UNDER THIS THEORY, DISCRIMINATION CAN BE PROVEN EVEN WHEN THE DECISIONMAKER HERSELF IS ADMITTEDLY UNBIASED IF THE DISCRIMINATORY ANIMUS OF A NON-DECISIONMAKER IS IMPUTED TO THE DECISIONMAKER.

STATUS: DECIDED. AMICUS BRIEF FILED 9/8/10. ORAL ARGUMENT SET FOR 11/2/10. COURT FOUND IN FAVOR OF THE PLAINTIFF ON 3/1/11.

STEWART & JASPER ORCHARDS V. SALAZAR - UNCONSTITUTIONAL INTRASTATE AG
WATER RESTRICTIONS
U.S. COURT OF APPEALS FOR THE NINTH CIRCUIT

THE CENTRAL VALLEY PROJECT AND THE STATE WATER PROJECT ARE THE TWO WATER SYSTEMS THAT PUMP NECESSARY WATER FROM THE NORTH TO THE SOUTH. IN 2008, THE U.S. FISH AND WILDLIFE SERVICE (FWS) LIMITED THE AMOUNT OF WATER THAT CAN BE PUMPED THROUGH THE SYSTEMS BASED UPON ENVIRONMENTALISTS' ARGUMENTS THAT PUMPING THREATENED THE SMELT POPULATION. AS A RESULT, THOUSANDS OF SMALL BUSINESSES NO LONGER GET THE WATER THEY NEED TO SUSTAIN THEIR COMPANIES. CALIFORNIA'S WATER AGENCIES HAVE CALLED IT "THE MOST DRASTIC

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CUTS EVER TO CALIFORNIA WATER."

THE NEW LAWSUIT SUPPORTED BY THE LEGAL CENTER HAS TWO MAIN ARGUMENTS.

FIRST, THERE IS NO SIGNIFICANT SCIENTIFIC CONNECTION DEMONSTRATING THAT THE FISH KILLED DURING PUMPING ACTUALLY THREATENS THE EXISTENCE OF THE SMELT.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF FARMERS CHALLENGING THE FEDERAL WATER RESTRICTIONS ON 6/2/10. ORAL ARGUMENTS ON 2/15/11. IN MARCH 2011, THE COURT RULED THAT THE WATER RESTRICTIONS ARE CONSTITUTIONAL.

STOP THE BEACH RENOURISHMENT V. FLA. DEPT. OF ENVIR. PROTECTION -
GOVERNMENT TAKINGS
U.S. SUPREME COURT

THE SUPREME COURT WILL DETERMINE WHETHER THE FLORIDA SUPREME COURT VIOLATED THE TAKINGS CLAUSE OF THE CONSTITUTION WHEN IT UPHELD THE FLORIDA BEACH AND SHORE PRESERVATION ACT. THE LAW AUTHORIZES THE STATE TO CONVERT PRIVATE WATERFRONT PROPERTY INTO A PUBLIC BEACH THUS DEPRIVING LAND OWNERS OF THEIR FULL LITTORAL RIGHTS WITHOUT COMPENSATION.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF LANDOWNERS ON 8/16/09. COURT RULED AGAINST THE LANDOWNERS IN JUNE 2010.

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THOMPSON V. NORTH AMERICAN STAINLESS - DEFINING SCOPE OF TITLE VII
 ANTI-RETALIATION BAR
 U.S. SUPREME COURT

THE COURT WILL DETERMINE WHETHER TITLE VII'S ANTI-RETALIATION PROVISION
 PROTECTS AN EMPLOYEE WHO ALLEGED HE WAS TERMINATED IN RETALIATION FOR HIS
 THEN-FIANCÉE'S EEOC CLAIM ALLEGING SEX DISCRIMINATION. THOMPSON'S
 FIANCÉE, MIRIAM REGALADO, FILED AN EEOC CHARGE AGAINST NORTH AMERICAN
 STAINLESS FOR GENDER DISCRIMINATION. THREE WEEKS LATER, THE COMPANY
 TERMINATED THOMPSON, CLAIMING IT WAS FOR PERFORMANCE-BASED REASONS.
 THOMPSON ALLEGED UNLAWFUL RETALIATION UNDER TITLE VII. THE COMPANY
 COUNTERED THAT HE WAS NOT RETALIATED AGAINST WITHIN THE MEANING OF TITLE
 VII BECAUSE THOMPSON DID NOT ACTIVELY OPPOSE ANY UNLAWFUL EMPLOYMENT
 PRACTICE OR PARTICIPATE IN ANY DISCRIMINATION PROCEEDING.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF EMPLOYER ON 10/29/10.
 ORAL ARGUMENT SET FOR 12/7/10. DECIDED 1/24/11 IN FAVOR OF PLAINTIFF.

TURKEN V. GORDON - CHALLENGING ECONOMIC DEVELOPMENT SUBSIDIES
 ARIZONA SUPERIOR COURT FOR MARICOPA COUNTY
 ARIZONA COURT OF APPEALS
 ARIZONA SUPREME COURT

THE ISSUE IS WHETHER THE CITY OF PHOENIX'S \$97.4 MILLION SALES TAX
 INCENTIVE GIVEN TO AN OUT-OF-STATE DEVELOPER VIOLATES THE ARIZONA

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CONSTITUTION'S PROHIBITION AGAINST TAX PAYER SUBSIDIES. THE MAJORITY OF
NFIB MEMBERS IN ARIZONA DO NOT BELIEVE THAT THE GOVERNMENT SHOULD PROVIDE
TAX INCENTIVES TO BUSINESSES TO LOCATE OR RELOCATE TO A PARTICULAR CITY
OR TOWN.

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF TAX PAYERS
CHALLENGING THE SUBSIDY ON 1/07/08. COURT DISMISSED PLAINTIFFS' LAWSUIT
ON 4/2/08. AMICUS BRIEF FILED IN SUPPORT OF PLAINTIFFS' APPEAL TO THE
ARIZONA COURT OF APPEALS ON 7/23/08. AMICUS BRIEF FILED IN ARIZONA
SUPREME COURT 7/16/09.

SUMMARY OF LEGAL CASES FOR 2010 (CONT.)

VICKNAIR V. PHELPS DODGE - FORUM SHOPPING

NORTH DAKOTA SUPREME COURT VICTORY!

IN A MOVE AIMED TO CURB FORUM-SHOPPING PLAINTIFFS, DEFENDANT ARGUED THAT
NORTH DAKOTA'S STATUTE OF LIMITATIONS APPLIES TO CLAIMS BROUGHT BY
NONRESIDENTS WHO HAVE NO CONNECTION TO NORTH DAKOTA.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF DEFENDANT ON
7/22/10. COURT RULED IN FAVOR OF DEFENDANTS AND THE TRIAL COURT'S
DISMISSAL OF CLAIMS.

WEINSTAT V. DENTSPLY, INT'L - CONSUMER PROTECTION

CALIFORNIA SUPREME COURT

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AFTER A CASE CALLED TOBACCO II, CALIFORNIA COURTS HAVE BEEN SPLIT AS TO WHETHER THE COURT'S HOLDING MEANS THAT CLASS CERTIFICATION IS DIFFERENT (AND EASIER) IN CONSUMER CASES, OR NOT. THE COURT OF APPEAL FOR THE FIRST DISTRICT IN THE SUBJECT CASE DECIDED THE FORMER WAS TRUE. IT WENT FURTHER BY HOLDING THAT PROOF OF RELIANCE ON A WARRANTY PROMISE IS NOT IMPORTANT.

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF PETITION FOR REVIEW ON 03/15/10. REVIEW DENIED 04/14/10.

WILLIAMS V. AMERICAN OPTICAL CORP. - DEFENDING MEDICAL CRITERIA LAW IN ASBESTOS LITIGATION
COURT OF APPEALS OF FLORIDA

IN A SERIES OF ASBESTOS PENDING IN THE COURT OF APPEALS OF FLORIDA, THE LEGAL CENTER FILED FOUR BRIEFS DEFENDING FLORIDA'S MEDICAL CRITERIA LAW. THIS STATUTE REQUIRES THAT CLAIMANTS IN ASBESTOS CASES MEET CERTAIN OBJECTIVE MEDICAL CRITERIA BEFORE FILING SUIT. THE LAW IS INTENDED TO HELP IMPEDE THE MASS FILINGS BY UNIMPAIRED CLAIMANTS THAT HAVE CREATED JUDICIAL BACKLOGS IN THE COURTS.

STATUS: PENDING. AMICUS BRIEFS WERE FILED ON 09/07/07.

FORM 990 PROVIDED TO GOVERNING BODY

PART VI, SECTION B: GOVERNING BODY AND MANAGEMENT, LINE 11

FOLLOWING AN INDEPENDENT AUDIT OF ITS FINANCIAL STATEMENTS, A DRAFT OF

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NFIB SMALL BUSINESS LEGAL CENTER'S FORM 990 IS PREPARED. THIS FORM 990 IS REVIEWED INTERNALLY BY NFIB SMALL BUSINESS LEGAL CENTER'S TAX ACCOUNTANT, CONTROLLER/TREASURER, AND SVP/CFO. ANY QUESTIONS ARISING FROM THE INITIAL REVIEW ARE ADDRESSED TO ENSURE THE RETURN IS COMPLETE AND ACCURATE. ANY NECESSARY CHANGES/CORRECTIONS ARE MADE ON THE FORM 990 AND THE RETURN AGAIN GOES THROUGH NFIB SMALL BUSINESS LEGAL CENTER'S INTERNAL REVIEW PROCESS. UPON APPROVAL OF THE SVP/CFO, THE FINAL RETURN IS FILED WITH THE INTERNAL REVENUE SERVICE. THE FINAL FILED RETURN IS MADE AVAILABLE TO THE BOARD OF DIRECTORS FOR REVIEW.

WRITTEN CONFLICT OF INTEREST POLICY

PART VI, SECTION B: POLICIES, LINE 12

EACH BOARD MEMBER, OFFICER AND EMPLOYEE OF NFIB SMALL BUSINESS LEGAL CENTER IS REQUIRED TO SIGN AND SUBMIT A CODE OF CONDUCT & ETHICS CERTIFICATION FORM TO THE CFO'S OFFICE ON AN ANNUAL BASIS. BY COMPLETING THIS FORM, HE/SHE CONFIRMS THAT HE/SHE HAS READ THE CODE AND AGREES TO CONDUCT HIMSELF/HERSELF IN ACCORDANCE WITH THE CODE AND APPLICABLE LAWS. HE/SHE ALSO MUST LIST ON THE FORM ANY CONFLICTS OR POTENTIAL CONFLICTS OF INTEREST HE/SHE MAY HAVE WITH NFIB SMALL BUSINESS LEGAL CENTER AND ANY OTHER ETHICAL CONCERNS ABOUT WHICH HE/SHE FEELS NFIB SMALL BUSINESS LEGAL CENTER SHOULD BE MADE AWARE. THE CFO'S OFFICE WILL SUBMIT A REPORT TO THE FINANCE/AUDIT COMMITTEE REGARDING ANY MATERIAL ETHICAL OR LEGAL ISSUES DISCLOSED ON THE CERTIFICATION FORMS.

PROCESS OF DETERMINING COMPENSATION FOR OFFICERS AND OTHER KEY EMPLOYEES

PART VI, SECTION B: POLICIES, LINE 15

THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS IS RESPONSIBLE FOR

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DETERMINING COMPENSATION FOR THE CEO, CFO, SECRETARY AND KEY EMPLOYEE OF THE ORGANIZATION. THE TREASURER'S AND EXECUTIVE DIRECTOR'S COMPENSATION IS REVIEWED AND SET BY THE CEO. IN 2008, AN OUTSIDE COMPENSATION CONSULTING FIRM WAS ENGAGED TO PROVIDE EXPERT INFORMATION REGARDING INDUSTRY-WIDE COMPENSATION NORMS AND AGAIN IN LATE 2010. RESULTS OF THE 2010 INDEPENDENT REVIEW ARE EXPECTED IN EARLY 2011 AND WILL BE PROVIDED TO THE EXECUTIVE COMMITTEE.

THE COMMITTEE RELIES ON THIS INDEPENDENT REVIEW TO ENSURE THAT REASONABLE COMPENSATION IS PAID TO THE CEO, CFO, SECRETARY AND KEY EMPLOYEE. THE COMMITTEE'S PHILOSOPHY IS TO ENSURE THAT THE COMPENSATION FOR THESE POSITIONS RELATIVE TO MARKET COMPARISONS IS COMPETITIVE IN ORDER TO ATTRACT, RETAIN AND MOTIVATE QUALIFIED EMPLOYEES WHILE NOT BEING AT THE TOP OF THE RANGE.

THE COMMITTEE SETS THE COMPENSATION FOR THE CEO, CFO, SECRETARY AND KEY EMPLOYEE EACH YEAR DURING THEIR MEETING WHICH IS TYPICALLY HELD IN JANUARY OR FEBRUARY. MINUTES FROM THESE ANNUAL MEETINGS ARE TAKEN BY THE CORPORATE SECRETARY DURING THE MEETING. WHEN THE MINUTES ARE REVIEWED AND APPROVED, THEY ARE RETAINED WITH ALL OTHER CORPORATE RECORDS.

DOCUMENTS AVAILABLE TO THE PUBLIC

PART VI, SECTION C: DISCLOSURE, LINE 19

IT IS NFIB SMALL BUSINESS LEGAL CENTER'S ("THE CENTER") POLICY TO MAKE AVAILABLE FOR PUBLIC INSPECTION, UPON REQUEST, EITHER WRITTEN OR IN PERSON, ITS EXEMPTION APPLICATION, SUPPORTING DOCUMENTS AND ANY LETTER OR

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DOCUMENT ISSUED BY THE IRS CONCERNING THE APPLICATION. THE CENTER ALSO MAKES AVAILABLE FOR PUBLIC INSPECTION AND COPYING, UPON REQUEST, EITHER WRITTEN OR IN PERSON, ITS FEDERAL FORM 990, RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX. THE FORM 990 IS AVAILABLE FOR A THREE-YEAR PERIOD BEGINNING WITH THE DUE DATE OF THE RETURN (INCLUDING ANY EXTENSION OF TIME FOR FILING). THE FOUNDATION'S CONFLICT OF INTEREST POLICY IS ALSO AVAILABLE TO THE PUBLIC UPON REQUEST, EITHER WRITTEN OR IN PERSON.

AUDIT OF FINANCIAL STATEMENTS

FORM 990, PART XII, LINE 2

NFIB SMALL BUSINESS LEGAL CENTER'S FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010 WERE AUDITED ON A SEPARATE BASIS AS WELL AS PART OF NFIB, INC.'S CONSOLIDATED FINANCIAL STATEMENTS. NFIB, INC. HAS AN AUDIT COMMITTEE WHICH ASSUMES THE RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND THE SELECTION OF AN INDEPENDENT ACCOUNTANT.

ATTACHMENT 1FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

THE NFIB SMALL BUSINESS LEGAL CENTER IS A NONPROFIT PUBLIC BENEFIT CORPORATION CREATED UNDER THE TENNESSEE NONPROFIT CORPORATION ACT. IT IS ORGANIZED EXCLUSIVELY FOR CHARITABLE, EDUCATIONAL, AND SCIENTIFIC PURPOSES AS PERMITTED BY SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), INCLUDING, FOR SUCH PURPOSES, MAKING DISTRIBUTIONS TO ORGANIZATIONS THAT QUALIFY AS EXEMPT ORGANIZATIONS UNDER SECTION 501(C)(3) OF THE CODE. THE LEGAL CENTER IS A SUPPORTING ORGANIZATION PURSUANT TO SECTION 509(A)(3) OF THE CODE AND IS ORGANIZED AND OPERATED FOR THE BENEFIT OF NATIONAL

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ATTACHMENT 1 (CONT'D)FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

FEDERATION OF INDEPENDENT BUSINESS ("NFIB"), WHICH IS A 501(C)(6) ORGANIZATION. THE LEGAL CENTER IS ORGANIZED TO CARRY ON CHARITABLE ACTIVITIES OF PROVIDING LEGAL EDUCATION AND REPRESENTATION ON ISSUES OF BROAD PUBLIC INTEREST.

ATTACHMENT 2FORM 990, PART VI, LINE 17 - STATES

AL, AK, AZ, AR, CA, CO, CT,
DC, FL, GA, HI, IL, KS, KY, ME, MD, MA, MI,
MN, MS, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA,
RI, SC, TN, UT, VA, WA, WV, WI,

ATTACHMENT 3FORM 990, PART VII, COLUMN B - ESTIMATED AVERAGE PER WEEK

NAME AND TITLE	HOURS DEVOTED FOR RELATED ORGANIZATION
DONALD A DANNER	
PRESIDENT/CEO	40.00
MARY BLASINSKY	
SVP/SECRETARY	40.00
TAMMY S BOEHMS	
SVP/CFO	40.00
JEFF SMITH	
TREASURER	40.00
SUSAN M ECKERLY	
SVP	35.00

ATTACHMENT 4990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

NAME AND ADDRESS	DESCRIPTION OF SERVICES	COMPENSATION
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ATTACHMENT 4 (CONT'D)	

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
BAKER & HOSTETLER, LLP PO BOX 70189 CLEVELAND, OH 44190	LEGAL SERVICES	1,073,242.
TOTAL COMPENSATION		<u>1,073,242.</u>

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

NFIB SMALL BUSINESS LEGAL CENTER

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public
Inspection

Employer identification number
62-1570449

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) _____					
(2) _____					
(3) _____					
(4) _____					
(5) _____					
(6) _____					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
(1) NATIONAL FEDERATION OF INDEPENDENT BUS. 94-0707299 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214	MEM. REPRESENTS.	CA	501(C)(6)	N/A	N/A	X
(2) NFIB RESEARCH FOUNDATION 04-3592337 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214	RESEARCH	TN	501(C)(3)	SUP. ORG. I NFIB	NFIB	X
(3) NFIB YOUNG ENTREPRENEUR FOUNDATION 62-1557196 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214	EDUCATION	TN	501(C)(3)	SUP. ORG. I NFIB	NFIB	X
(4) NFIB FEDERAL SAFE TRUST 94-2532364 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214	PAC	CA	527	N/A	NFIB	X
(5) _____						
(6) _____						
(7) _____						

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2010

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	(k) Percentage ownership
							Yes	No			
(1) _____											
(2) _____											
(3) _____											
(4) _____											
(5) _____											
(6) _____											
(7) _____											

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) NEIB MEMBER SERVICES CORPORATION 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214-3662 94-2899404	MEMBER BENEFITS	CA	N/A	C			
(2) _____							
(3) _____							
(4) _____							
(5) _____							
(6) _____							
(7) _____							

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b	Gift, grant, or capital contribution to other organization(s)		X
c	Gift, grant, or capital contribution from other organization(s)	X	
d	Loans or loan guarantees to or for other organization(s)		X
e	Loans or loan guarantees by other organization(s)		X
f	Sale of assets to other organization(s)		X
g	Purchase of assets from other organization(s)		X
h	Exchange of assets		X
i	Lease of facilities, equipment, or other assets to other organization(s)		X
j	Lease of facilities, equipment, or other assets from other organization(s)		X
k	Performance of services or membership or fundraising solicitations for other organization(s)		X
l	Performance of services or membership or fundraising solicitations by other organization(s)		X
m	Sharing of facilities, equipment, mailing lists, or other assets		X
n	Sharing of paid employees		X
o	Reimbursement paid to other organization for expenses		X
p	Reimbursement paid by other organization for expenses		X
q	Other transfer of cash or property to other organization(s)		X
r	Other transfer of cash or property from other organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) NFIB YOUNG ENTREPRENEUR FOUNDATION	LINE C	282,548.	FMV
(2) NATIONAL FEDERATION OF INDEPENDENT BUSINESS	LINE M	123,319.	FMV
(3) NATIONAL FEDERATION OF INDEPENDENT BUSINESS	LINE O	173,038.	FMV
(4) NATIONAL FEDERATION OF INDEPENDENT BUSINESS	LINE P	93,593.	FMV
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(1) Name, address, and EIN of entity	(2) Primary activity	(3) Legal domicile (state or foreign country)	(4) Are all partners section 501(c)(3) organizations?		(5) Share of end-of-year assets	(6) Disproportionate allocations?		(7) Code V-UBI amount (in box 20 of Schedule K-1 (Form 1065))	(8) General or managing partner?	
			Yes	No		Yes	No		Yes	No
(1) _____										
(2) _____										
(3) _____										
(4) _____										
(5) _____										
(6) _____										
(7) _____										
(8) _____										
(9) _____										
(10) _____										
(11) _____										
(12) _____										
(13) _____										
(14) _____										
(15) _____										
(16) _____										

Schedule R (Form 990) 2010

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).
